# Government of the District of Columbia Office of the Chief Financial Officer



Natwar M. Gandhi Chief Financial Officer

### **MEMORANDUM**

TO: The Honorable Phil Mendelson

Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi

**Chief Financial Office** 

DATE: December 3, 2012

SUBJECT: Fiscal Impact Statement - "Local Budget Autonomy Act of 2012"

**REFERENCE:** Bill 19-993 – Draft Committee Print shared with the Office of Revenue

Analysis on November 29, 2012

#### Conclusion

Funds are sufficient in the FY 2013 through FY 2016 budget and financial plan to implement the bill.

# **Background**

The bill amends the District's Home Rule charter<sup>1</sup> to change portions of the appropriations process. First, the bill will authorize the District Council to appropriate District funds (including grants) without the requirement for subsequent Congressional appropriation. Second, it will authorize the District to set the parameters of its own fiscal year.

The bill sets forth the appropriations process for District's own resources. It also clarifies that the federally funded portions of the budget must be submitted by the Mayor to the President for Congressional approval. It also specifies that the Congress will retain control over the local budget in control years.

The bill will be applicable commencing with the FY 2015 budget and thereafter.

## **Financial Plan Impact**

Funds are sufficient in the FY 2013 through FY 2016 budget and financial plan to implement the bill.

<sup>&</sup>lt;sup>1</sup> The District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 777; D.C. Official Code § 1-201.01 *et seq.*)

The Honorable Phil Mendelson FIS: Bill 19-993, "Local Budget Autonomy Act of 2012," Draft Committee Print shared with the Office of Revenue Analysis on November 29, 2012

Pursuant to the Home Rule Charter, the provisions of the bill can only be adopted after it passes a local referendum, which is followed by a 35-day (with days counted as specified in the Charter) review period in the Congress. The District is already planning a special election in the spring of 2013, and the Council intends to include this measure on the ballot during the same election. The Board of Elections indicated that the Board already has sufficient funds to hold the special election, and the addition of the referendum measure on the ballot will not create an additional impact.